# FISCAL IMPACT STATEMENT ON BILL NO. H. 4251

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TO: The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal

Affairs Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: R.J. Stein, Kenneth Brown

DATE: February 8, 2006 SBD: 2006024

AUTHOR: Representative Davenport PRIMARY CODE CITE: Joint Resolution

SUBJECT: Volunteer Childcare Accreditation Rating System

### ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (see below)

#### ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

#### **BILL SUMMARY:**

House Bill 4251 requires the Department of Health & Environmental Control to ensure the participation of certain groups in developing a voluntary accreditation rating system for childcare facilities. The Bill further prohibits the Department of Social Services from implementing the "South Carolina Task Force on Quality Early Care and Education" rating system until the system is approved in accordance with the Administrative Procedures Act.

### **EXPLANATION OF IMPACT:**

# Department of Health & Environmental Control (DHEC)

The Department estimates cost of \$111,000 (including salary and fringe for 2 FTEs) to ensure the participation of the specified interest groups and to coordinate their participation at meetings designed to produce a rating system. There would be additional cost if DHEC were responsible for implementation of the system (see Special Notes below).

## Department of Social Services (DSS)

DSS indicates that this Bill would have no impact on the General Fund of the State, as it merely prohibits implementation of a rating system until that system is approved through the Administrative Procedures Act.

### **SPECIAL NOTES:**

Childcare facilities are currently regulated by the Department of Social Services. If DHEC were required to both develop and implement the rating system, the Department estimates that 5.00 FTEs would be needed. As there are at least 1,500 licensed daycare facilities in the state, total costs are estimated by DHEC at \$239,357 (including personal service costs of \$205,089 and operating costs of \$34,268) annually. One-time start-up costs (for furnishings and equipment) are estimated at an additional \$17,500.

Approved by:

Don Addy

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